

## STATEMENT OF OBJECTS AND REASONS

The Biological Diversity Act, 2002 was enacted to provide for the conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits arising out of the use of biological resources, knowledge and for matters connected therewith or incidental thereto.

2. The said Act seeks to fulfill India's obligations under the Convention of Biological Diversity and Nagoya Protocol on Access and Benefit Sharing and to ensure that the benefits derived from the use of biological resources and associated traditional knowledge are shared in a fair and equitable manner among the indigenous and local communities.

3. The said Act provides for a decentralised three-tiered mechanism comprising the National Biodiversity Authority, the State Biodiversity Board or Union territory Biodiversity Councils, as the case may be, and the Biodiversity Management Committees. The Biodiversity Management Committees are integral part of the local self-governing bodies, including Panchayats and Municipalities. Each Biodiversity Management Committees prepare People's Biodiversity Registers which keep a record of all flora and fauna including details of traditional knowledge available in their region.

4. The said Act provides a mechanism for accessing and sharing of biological or genetic resources and fair and equitable benefits arising therefrom, with the Biodiversity Management Committees. The National Biodiversity Authority, the State Biodiversity Board or Union territory Biodiversity Councils, as the case may be, and the Biodiversity Management Committees are inter-connected and ensure access and benefit sharing while accessing biological resources for research, patents, transfer of results and commercial utilisation of biological resources.

5. In this background, concerns were raised by the stakeholders representing Indian system of medicine sector, seed sector, industry sector and research sector urging to simplify, streamline and reduce compliance burden in order to encourage conducive environment for collaborative research and investments, simplify patent application process, widen the scope of levying access and benefit sharing with local communities and for further conservation of biological resources.

6. The Biological Diversity (Amendment) Bill, 2021, *inter alia*, seeks to—

(i) reduce the pressure on wild medicinal plants by encouraging cultivation of medicinal plants;

(ii) encourage Indian system of medicine;

(iii) facilitate fast-tracking of research, patent application process, transfer of research results while utilising the biological resources available in India without compromising the objectives of United Nation Convention on Biological Diversity and its Nagoya Protocol;

(iv) decriminalise certain provisions;

(v) bring more foreign investments in the chain of biological resources, including research, patent and commercial utilisation, without compromising the national interest.

7. The Bill seeks to achieve the above objects.